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174-31-2391THE STATE OF TEXAS I
COUNTY OF HARRIS I

THIS AGREEMENT, made and entered into this 22nd day of January, 1974, by and between PORT OF HOUSTON AUTHORITY, a public corporation and political subdivision of the State of Texas, to be addressed at 1519 Capitol Avenue, in the City of Houston, Harris County, Texas, hereinafter called Lessor, and MITCHELL & MITCHELL PROPERTIES, INC., to be addressed at 3900 One Shell Plaza, Houston, Texas 77002, hereinafter called Lessee,

WITNESSETH:

1. Lessor, in consideration of ~~the sum of~~ THREE THOUSAND ONE HUNDRED NINETY-TWO AND 20/100 (\$3,192.20) DOLLARS and other considerations in hand paid, of the royalties hereinafter provided, and of the agreements, stipulations and covenants of Lessee herein contained, have granted, demised, leased and let, and by these presents do grant, demise, lease and let, subject to the reservation hereinafter made, exclusively unto Lessee, for the sole and only purpose of investigating, exploring, prospecting, drilling and producing oil and gas (including such other minerals as may be produced with oil or gas), and taking care of, treating, storing, transporting and owning such products obtained from the premises, the following described land situated in Harris County, Texas, to-wit:

All that certain tract (or those certain tracts) situated in Harris County, Texas, and being the tract or tracts described in Exhibit A, attached hereto and made a part hereof for all purposes as if set out herein in full.

Reference is here made to said deeds and to the records thereof for more particular descriptions of said tracts of land,

(hereinafter called "said land" or "leased premises"). For the limited purpose of calculation of rental payments said land is agreed to contain 127.688 acres of land whether it contains more or less than such acreage.

2. Subject to all the provisions, stipulations and covenants herein contained, this lease shall be for a term of one (1) year from the date hereof, called "primary term," and as long thereafter as oil or gas are produced in paying quantities from said land or lands with which said lands may be pooled hereunder. If, at the end of said one year period oil or gas are not being produced in paying quantities from said land or lands with which said lands may be pooled hereunder, but Lessee is then engaged in actual drilling operations or reworking operations on any well thereon, or if after the expiration of the one year period production should cease and Lessee shall, within sixty (60) days after such cessation, commence or resume actual drilling or reworking operations on said land or lands with which said lands may be pooled hereunder, then this lease shall remain in force so long as

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such operations are prosecuted with reasonable diligence with no cessation of more than thirty (30) days and if they result in the production of oil or gas in paying quantities, so long thereafter as oil or gas are produced in paying quantities from said land or lands with which said lands may be pooled hereunder.

3. As used in this Paragraph 3, the term "Applicable Fraction" shall refer to one-eighth (1/8). The royalties to be paid by Lessee are:

(a). On oil the Applicable Fraction of that produced and saved from said land, same to be delivered at the wells or to the credit of Lessor in the pipeline to which the wells may be connected. (Lessor's interest in either case shall bear its proportion of any expense for treating oil to make it marketable as crude.)

(b). On gas, including casinghead gas and all gaseous substances produced from said land and sold or used off the leased premises except in the manufacture of gasoline or other products therefrom in accordance with the provisions of subparagraph 3(d) or subparagraph 3(f) below, the market value at the mouth of the well of the Applicable Fraction of the gas sold or used:

(c). On distillate, condensate and other products separated or extracted by use of oil and gas separators of conventional type or other equipment at least as efficient, from gas, including casinghead gas or other gaseous substances produced from said land, the market value at the separator of the Applicable Fraction of the distillate, condensate and other products so separated and extracted, it being understood and agreed that said gas before being sold or used will be run through such separators or other equipment unless (1) the same is processed in an absorption or extraction plant and royalties paid under either subparagraph (d) or subparagraph (f) hereof, or (2) the liquid hydrocarbon content of said gas is so small as to make the installation and operation of separators or other comparable equipment unprofitable, or (3) the pressure of said gas is such that running the same through separators or other comparable equipment will so reduce the pressure that Lessee will be unable to sell and deliver the separated gas against existing gathering system or pipeline pressures.

(d). In the event that any gas, excepting casinghead gas, from said land shall be processed in an absorption or extraction plant located within 50 miles of the leased premises and owned or operated in whole or in part by Lessee, or any assignee of Lessee as to all or any part of this lease, or any affiliated, parent or subsidiary company, or either of them (it being understood and agreed that nothing herein contained shall require Lessee or any assignee to so process such gas), or shall be processed in an absorption or extraction plant owned or operated by others and from which Lessee

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receives a part of the plant production or the proceeds thereof, then in lieu of the royalties hereinabove provided on gas and the products extracted therefrom, Lessor shall be paid as royalties on such gas and the products therefrom the following:

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(1). On distillate, condensate and other products which are condensed and extracted from the gas by running such gas through an adequate conventional type oil and gas separator on the leased premises, the Applicable Fraction of the fair value at the well of the products which are so recovered.

(2). On products including minerals other than oil and gas extracted from the gas in the absorption or extraction plant, but excluding products which are recovered by means described in the preceding sub-paragraph (1) the Applicable Fraction of the fair market value of the products so extracted and recovered, less, however, the costs of gathering and extracting which costs shall not include capital costs or depreciation, the market value to be determined immediately upon extraction and prior to further refining of such products.

(3). On residue gas (that remaining after having been processed for the liquid hydrocarbons therein contained) sold or used, the market value at the plant of the Applicable Fraction of such residue gas sold or used.

The recovery of products covered by this lease shall be calculated by the making of periodical tests in accordance with modern and sound engineering practice prevailing in the industry at the time of the test. Lessor, its agents or representatives, shall at their own risk, have the right to witness any testing or gauging of oil, gas, condensate or distillate on the leased premises and of witnessing any drilling or other operations relating to the development of said land or the production of oil, gas, condensate or distillate therefrom.

(e). During any period (whether before or after the expiration of the primary term hereof) when gas is not being sold or used due to lack of market and there is a well or wells on said land or on land pooled therewith capable of producing gas in paying quantities which are shut in, then Lessee may pay or tender as royalty the amount of Five Hundred Dollars (\$500.00) for each shut-in gas well at the beginning of each six (6) months, and, if paid, it will be considered that gas is being produced for all purposes of this lease during any period for which such payment is made. Such amount for the first six (6) months period is to be payable within ninety (90) days following the shutting in of the well or wells or within six (6) months after this lease is not otherwise maintained in force, whichever is the later to occur, and for

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subsequent six (6) months' periods in advance thereafter. The term "market" as herein used shall mean the ability of the Lessee to sell and market said gas at such prices and on such terms as the Lessee may in good faith deem fair and proper. If there are shut-in gas wells upon said land or on land pooled therewith while the lease is being otherwise continued in force by production of oil or drilling operations, it shall not be necessary that Lessee also make payment of the shut-in gas well royalty in order to continue the lease in effect. The purpose of the shut-in gas well royalty is to afford Lessee a means of continuing the lease where there are on the leased premises or on pooled land therewith shut-in gas wells (or well) capable of producing gas in paying quantities and the lease is not otherwise being continued by reason of production of other minerals.

(f). In the event that casinghead gas from said land shall be processed in an absorption or extraction plant owned or operated in whole or in part by Lessee, or any assignee of Lessee as to all or any part of this lease, or any affiliated, parent or subsidiary company of either of them (it being understood and agreed that nothing herein contained shall require Lessee or any assignee to so process such gas), then, in lieu of the royalties hereinabove provided on casinghead gas, Lessor shall be paid on such casinghead gas the market value at the plant of the Applicable Fraction of all gasoline and other products and residue gas obtained from such casinghead gas less the cost of manufacturing same.

(g). On all other hydrocarbons or minerals produced in association with the production of oil and gas marketed, the Applicable Fraction, either in kind or value at the well or mine, at Lessee's election.

Lessee shall have the free use of oil and gas from said land for all operations hereunder, and the royalty on oil and gas shall be computed after deducting any so used. It is further agreed that payments of shut-in gas well royalties provided in subparagraph (e) of this section above may be made by check or draft of Lessee at the address of Lessee as above set out. Lessor may, at Lessor's election, take all or any part of the royalty share of any production in kind at the well-head in which event Lessor shall furnish storage and/or marketing facilities for such share of production.

4. Lessee is not granted hereunder any right to use or any estate in fresh water either impounded on the surface or in Lessor's water wells, except Lessee may drill its own water wells and use water therefrom for ordinary drilling upon the leased premises or lands pooled therewith hereunder, but not for pressure maintenance, recycling or similar operations.

5. Anything to the contrary in this lease notwithstanding, Lessee shall not have the right to drill any well on said land at any surface location other than a location 467 feet from the east line and 467 feet from the southwest line of the 17.860 acre tract of land described as TRACT NO. 2 in Exhibit A attached hereto.

6. (a). Lessee, at Lessee's option, is hereby given the right and power to pool or combine all or any part of the said land covered by this lease with other land, lease or leases contiguous to the leased premises, to only the extent hereinafter stipulated, to explore, develop and operate said leased premises, for gas and gas rights only. Units pooled hereunder for gas and gas rights shall not exceed 320 acres or to such smaller unit of acreage as may be permitted a full production allowable in accordance with the rules and regulations of the Railroad Commission of Texas or any other governmental agency having jurisdiction over such matters. Lessee under the provisions hereof may pool or unitize all the acreage covered by this lease as to gas only in any one or more strata and units so formed need not conform in size nor configuration each with the other. Lessee may at the election of Lessee exercise such pooling option after commencing operations for or completing a gas well on the leased premises or on lands pooled therewith and shall file for record in the appropriate records of the county in which the leased premises are situated an instrument describing and designating the pooled acreage as a pooled unit. Without affecting the validity of any unitization effected hereunder, Lessee agrees to furnish Lessor a reproduced copy of any recorded declaration within 30 days after recordation. The pooling in one or more instances shall not exhaust the rights of Lessee hereunder to pool all of this lease as to other strata into other units. Operations for drilling on or production of gas from any part of the pooled unit which includes any of the land covered by this lease regardless of whether such operations for drilling were commenced or such production was secured before or after the execution of this instrument or the instrument designating the pooled unit, shall be considered as operations for drilling on or production of gas from land covered by this lease whether or not the well or wells be located on the premises covered by this lease, and the entire acreage constituting such unit or units, as to gas as herein provided shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if the same were included in this lease. For the purpose of computing the royalties to which owners of royalties shall be entitled on production of gas from the pooled unit, there shall be allocated to the land covered by this lease a pro rata portion of the gas produced from the pooled unit after deducting that used for operations on the pooled unit. Such allocation shall be on an acreage basis - that is to say, there shall be allocated to the acreage covered by this lease that pro rata portion of the gas produced from the pooled unit which the number of surface acres covered by this lease and included in such unit bears to the total number of surface acres included in the pooled unit. Royalties hereunder shall be computed on the portion of such production so allocated to the land covered by this lease just as though such production were from said land. The words "separate tract" as used in this paragraph 6 shall refer to any tract or

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parcel within the leased premises with royalty ownership now or hereafter differing from any other part of the leased premises, either with regard to owners or interests as between owners. No pooling or unitization of royalty interests as between any separate tracts is intended under this lease and no such pooling or unitization shall be implied or result by reason of the inclusion of separate tracts within this lease except to the extent Lessee may hereafter pool or unitize the leased premises or portions thereof to the extent herein specified. To the extent that only a portion of the leased premises may be included in any unit or pool hereunder, the royalties to be allocated to the leased premises hereunder shall be allocated to those separate tracts constituting such portion or portions of the leased premises included within such unit or pool without apportionment on account of royalty ownership under any other parts of the leased premises not included in such unit or pool.

(b). Without limiting in any manner the pooling rights and powers granted Lessee under the terms of this lease with respect to the land covered hereby, or any portion thereof, it is agreed, notwithstanding any other provision hereof, as follows:

(1) Drilling or reworking operations upon or production from any land, as to any depth, stratum or strata thereof, included in a pooled unit or units shall not maintain this lease in force and effect after the expiration of the primary term hereof as to any land covered hereby which is not as to some depth, stratum or strata thereof included in such unit or units. (2) This lease

may be maintained after the expiration of the primary term hereof as to said land covered hereby which is not as to some depth, stratum or strata thereof included in such unit or units hereafter in this paragraph for convenience called "Non-Pooled Land") only by operations on or production from such Non-Pooled Land.

(3) Any land covered hereby which as to some depth, stratum or strata thereof has been included in a unit or units which is released for whatever reason from said unit or units shall become a part of the Non-Pooled Land as defined herein as to all depths, stratum or strata thereof for all purposes and shall be maintained as such in accordance with the terms hereof.

7. (a). In the event that a well producing oil or gas in paying quantities is brought in after the date of this lease on land the surface of which is not owned by Lessor and draining the oil or gas from under the leased premises, then, unless an offset well on the leased premises already exists, Lessee shall commence actual operations for the drilling of an offset well within one hundred twenty (120) days after such well requiring offset commences sustained production and thereafter drill all such other wells as are necessary to fully protect the leased premises from drainage. Without in any way limiting the distance within which a well shall be considered as draining the leased premises, Lessee expressly agrees that any oil or gas well located within 660 feet of any outside boundary line of land the surface of which is owned by Lessor shall be conclusively deemed to be draining oil or gas from under the leased premises and agree that any well so located shall be offset within the time provided above.

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Nothing in this paragraph shall serve in any way to relieve Lessee from the duty to protect the leased premises from drainage which would normally be implied in the absence of any express provisions dealing with drainage, but it is agreed that Lessee shall owe such duty in addition to the contractual provisions hereof to the extent that such duty would require further drilling than the minimum effort requirement herein expressly provided for by contract. Should Lessee elect not to drill an offset well as above provided, Lessee promptly shall release and surrender unto Lessor to the extent, but only to the extent, of that portion of the leased premises being drained, all rights from the surface to the stratigraphic equivalent of the deepest horizon from which oil or gas is being produced from the well draining the leased premises; expressly retaining unto Lessee (i) all rights below said stratigraphic equivalent and (ii) all rights in and to any zone or formation shallower than the depth prescribed in clause (i) if Lessee is then producing oil or gas from such zone or formation or is conducting actual drilling operations for the production of oil or gas from such zone or formation (in which latter case such retention shall extend only while such operations are being conducted or if production is obtained by such operations only so long as production continues) and in the case of both (i) and (ii) all rights to penetrate the zones released and surrendered in exploring for and producing oil and gas from the zones retained by Lessee.

(b). If, while this lease is in force, either oil or gas be discovered in paying quantities on said leased premises, Lessee shall proceed at once to develop the leased premises in the same manner that a reasonably prudent operator desiring production would develop same under the circumstances and shall continue such development until the premises shall have been completely and fully developed for the best practicable and economical recovery of oil or gas therefrom.

(c). This lease is subject to all applicable rules and regulations of all governmental bodies and agencies legally authorized to govern the drilling, development and production of oil or gas from the leased premises, and should any drilling obligations hereinabove set out in this Paragraph 7 conflict with any such rule or regulation, then such obligations shall apply only to the extent that there is no conflict.

8. Subject to the provisions of Paragraph 16 hereof, failure of Lessee to comply with any of the obligations or conditions set out in Paragraph 7 above shall, at the election of Lessor evidenced by written notice to Lessee calling attention to such default, subject this lease to termination (other than for the then producing wells as hereinafter set out); provided, nevertheless, that Lessee may prevent such termination by commencing actual operations for compliance with the defaulted obligation within thirty (30) days after receiving notice of Lessor's election to declare a termination hereof and by continuing such operations with diligence until the obligation has been fully complied with. In the event of forfeiture of this lease for any cause, Lessee shall have the right to retain under the terms

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hereof the leasehold estate upon such unit of acreage as may be prescribed in the applicable spacing rules of the Railroad Commission of Texas (or other governmental agency having jurisdiction over such matters) around each well producing or capable of producing oil and gas in paying quantities, drilling well or well being worked upon, each such unit of acreage to be as nearly as practicable in the form of a square with the well in the center thereof. If there are no well spacing rules prescribed by any governmental agency for this area, then Lessee shall be entitled to retain units of 40 acres around each producing oil well and 320 acres around each producing gas well.

9. If, within the primary term and after production shall have been obtained from the leased premises, production should cease for any cause, this lease shall not terminate if Lessee commence additional drilling or reworking operations within sixty (60) days thereafter and prosecute such drilling operations or reworking operations with due diligence in an effort to restore the production on the premises.

10. Lessee shall have the right at any time from time to time to surrender or release by recordable instrument delivered to Lessor this lease as to all or any part of the leased premises. In the event of surrender of this lease pursuant to the provisions of this paragraph, Lessee shall not be further obligated to Lessor to perform the terms of this agreement and, except as hereinafter provided in this Paragraph 10, shall thereby be released as to obligations that may thereafter accrue insofar as the surrendered acreage is concerned, but as to that acreage retained, the obligations shall remain binding upon Lessee.

11. Lessee agrees to give written notice to Lessor of the commencement, completion, reworking or abandonment of any well drilled hereunder, such notice to be mailed to Lessor at the above address within ten (10) days of each such commencement, completion, reworking operation or abandonment. Lessor shall have the right to inspect at Lessee's office all original logs and drilling reports of all wells mailed to Lessor at the address hereinabove set out, within ten (10) days of each such commencement, completion, reworking operation or abandonment. Lessor shall have the right to inspect at Lessee's office all original logs and drilling reports of all wells drilled on said land, to have a true copy thereof on demand, and to verify from the original records of Lessee all statements of minerals produced by Lessee on and from the land covered by this lease. Lessor, either in person or by duly authorized representatives, shall have the right to be present at the wells at any and all reasonable times, but at its own risk and expense, and shall have the privilege of inspecting any and all cores and samples taken from any well drilled on the leasehold estate, as well as the right to observe all drilling operations and to inspect and gauge, as well as to measure, any and all of the oil and gas produced from said well. If the rights hereby granted are exercised by Lessor through a representative, such representative shall be duly authorized in writing. Lessor shall also have the right to

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inspect, (and shall, upon written request, be furnished copies of) all electric logs, including sonic, induction and micro logs as same are run, core analyses and drilling reports of all wells drilled on said land, together with completion and potential tests, wire line formation tests and drill stem tests.

12. Except as hereinafter provided, Lessee shall have the right at any time during or within ninety (90) days after the expiration of this lease to remove all property and fixtures placed by Lessee on said land.

13. Lessee shall bury all pipelines at least 24 inches below the surface of the ground, and no well shall be drilled without Lessor's consent. All operations upon the premises shall be conducted in such a manner as will cause the least damage and defacement practicable under the circumstances, and, in case of abandonment of the premises after the conduct of operations thereon, Lessee shall, as far as practicable, leave the premises in the same state and condition as they were at the time of Lessee's entry upon them. Lessee shall reimburse Lessor for all actual physical damages to the premises (not including mere depreciation in value of the surface estate incidentally resulting from mineral operations thereon) and bear all actual damages to improvements, roads, wells, crops, timber, grass and livestock thereon resulting from Lessee's operations thereon.

14. The estate of either party may, subject to all the terms and conditions of this lease, be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns. No change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee. No sale or assignment by Lessor or Lessee shall be binding until the other party hereto shall be furnished with a certified copy of the instrument evidencing same.

15. Lessor hereby binds itself, its successors and assigns to warrant and forever defend, to the extent hereinafter indicated, the title to the land hereby leased unto Lessee, its successors and assigns, from and against the claims of all persons whomsoever lawfully claiming or to claim the same or any part thereof, by, through and under Lessors herein only, provided that in no event shall any recovery under Lessor's warranty be in excess of the amount of bonus consideration and royalty on production actually received by the particular Lessor against whom the recovery is sought. No recovery for money paid as delay rentals or shut-in gas well royalties shall be had in the event of breach of warranty. Also, no warranty is made as to the quantity of acreage covered by this lease, and such warranty is subject to validly existing easements and rights-of-ways, if any, affecting said land. The "Applicable Fraction" set out and defined in Paragraph 3 hereof has been fixed and calculated upon the basis of the interest (undivided or otherwise, as the case may be) owned by Lessor in the tracts of land hereinabove described and

neither the royalties nor the rentals nor any other payment provided or thing of value received in favor of Lessor hereunder shall be reduced on account of Lessor owning less than the entire fee simple estate in the oil and gas under such tracts; provided validly existing royalties of record, if any, shall be charged against and absorbed by the royalties herein reserved under Lessor to the extent same burden Lessor's oil and gas estate.

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16. The term "force majeure" as used in this agreement, means any present or future laws of the United States or the State of Texas, or any rule, regulation or order heretofore or hereafter promulgated by any governmental body, agency or official, whether federal or state, asserting jurisdiction over drilling or other operations hereunder or over the acquisition or use of any materials or equipment necessary in connection therewith, or war, rebellion, insurrection, riot, storm, tornado, flood and other acts of God, or failure of carriers to transport or furnish transportation facilities for such materials or equipment, or inability of Lessee for any such reasons to obtain such materials or equipment. The term "force majeure period" means the time during which drilling or other operations of Lessee on said land are prevented, delayed, interrupted or suspended by reason of force majeure, plus thirty (30) days thereafter.

It is agreed, subject to the further provisions of this section, that, if drilling or other operations of Lessee on said land are prevented, delayed, interrupted or suspended by reason of force majeure not due to the fault of Lessee, the time within any force majeure period shall not be counted against Lessee, and this lease shall, insofar as it covers land with respect to which it is in force at the commencement of any force majeure period, continue in force during such force majeure period and so long thereafter as the lease remains in force under the provisions contained in the provisions of this lease agreement preceding this Paragraph 16. Lessee shall give Lessor written notice of any force majeure within thirty (30) days after the commencement of the force majeure period of which Lessee desires to claim the benefit.

17. The surface of said land is held by Lessor for use as a spoil disposal area and Lessee agrees to restrict and limit its use of the surface of said land in order not to interfere with Lessor's use of said land as a spoil disposal area; provided, however, this Paragraph 17 shall not restrict the right of Lessee to drill, plug and abandon (if dry) and complete and produce oil or gas from the well located as specified in Paragraph 5 and to handle, treat, store, remove and transport oil and gas and other liquid hydrocarbons produced and saved from such well.

18. Lessee acknowledges that it is familiar with the provisions of Sections 60.034 through 60.037 of the Texas Water Code and binds itself to comply with such provisions. Lessee

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also agrees to fill and level and to deacidize all slush pits and to restore the surface to as near its original condition as may be practicable after any such slush pit is no longer used in connection with operations hereunder.

IN WITNESS WHEREOF, this instrument is executed in multiple originals on the date first above written.

ATTEST:

[Signature]
Assistant Secretary

PORT OF HOUSTON AUTHORITY

By [Signature]
Executive Director

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LESSOR

APPROVED AS TO FORM

[Signature]
Port Counsel

MITCHELL & MITCHELL PROPERTIES, INC.

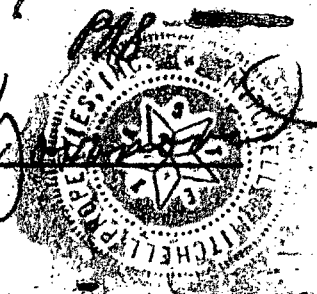
By [Signature]
President

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LESSEE

ATTEST:

[Signature]
Assistant Secretary



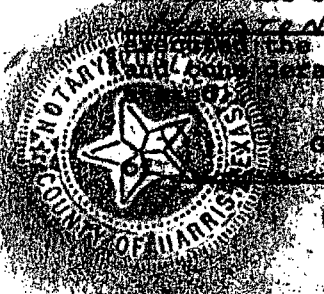
THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared G.W. ALVAREZ known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said PORT OF HOUSTON AUTHORITY, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 22 day A.D. 1974.

[Signature]
Notary Public in and for Harris County, Texas



THE STATE OF TEXAS

COUNTY OF HARRIS

RECORDED'S MEMORANDUM:
The charges made on this instrument were prepaid at the time instrument was filed and recorded.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Bernard F. Clark known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said MITCHELL & MITCHELL PROPERTIES, INC., a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, A.D. 1974.

Notary Public in and for Harris County, Texas

174-31-2402

EXHIBIT A

To Lease from Port of Houston
Authority, "Lessor," to

"Lessee"

TRACT NO. 1:

A 109.828 acre tract or parcel of land, being a part of that certain tract of land called 108.4286 acres and described in deed dated March 28, 1949, from J. H. Hirst, Trustee, to Wah Chang Smelting & Refining Company of America, Inc., Volume 4458, Pages 261-266, Harris County Deed Records, said land being in the Richard & Robert Vince League, Abstract 76, Harris County, Texas, said 109.828 acre tract or parcel being more particularly described by metes and bounds as follows:

COMMENCING at a point on the East right-of-way line of Haden Road at its intersection with the South right-of-way line of the North Shore Railroad of Missouri Pacific Railroad Company, said point being the Northwest corner of a 145.903 acre tract of land conveyed by the Estate of R. E. Brooks to J. P. Hedding, Trustee, by deed dated August 2, 1945, and recorded in Volume 1395, Page 540 of the Harris County Deed Records;

THENCE South 89° 55' East along the North line of the aforesaid 145.903 acre tract, a distance of 3,823.9 feet to a concrete monument found at the Northeast corner of the aforesaid 145.903 acre tract for the Point of Beginning of the 109.828 acre tract of land herein described, said Point of Beginning also being located in the South right-of-way line of the aforesaid North Shore Railroad;

THENCE South 89° 55' East along the South line of aforesaid North Shore Railroad, 319.95 feet to a 1 1/4 inch iron pipe set at the P.C. of a curve to the left;

THENCE around said curve to the left having a chord bearing North 81° 42' East, a distance of 374.62 feet with an arc length of 376.02 feet and a central angle of 16° 46' to a 1 1/4 inch iron pipe set on said curve at its point of intersection with the South line of the North Shore Railroad Ordnance Depot Spur;

THENCE South 89° 55' East along the South line of the North Shore Railroad Ordnance Depot Spur, 818.1 feet to a 1 1/4 inch iron pipe set on said line for the Northeast corner of the herein described 109.828 acre tract, said corner also

being the Northwest corner of that certain 345.339 acre tract of land conveyed by the Estate of J. R. Horrigan to Harris County Houston Ship Channel Navigation District by deed dated September 21, 1951 and recorded in Volume 2349, Page 429 of the Harris County Deed Records, said point also being the Northwest corner of a certain 60 foot wide easement described in Volume 4458, Page 266, Harris County Deed Records;

THENCE South $00^{\circ} 39' 20''$ West along the common line of the East boundary line of the herein described 109.828 acre tract and the West boundary line of the adjoining aforesaid 345.339 acre Navigation District tract, at 60 feet past a $1 \frac{1}{4}$ inch iron pipe set on said common line for the Southwest corner of the aforementioned 60 foot wide easement, and continuing for a total distance of 3,244.29 feet to a $1 \frac{1}{4}$ inch iron pipe set on the North line of the Harris County Houston Ship Channel Navigation District 100 foot wide right-of-way for the Southeast corner of the herein described 109.828 acre tract;

THENCE North $89^{\circ} 34' 48''$ West along the North line of said Harris County Houston Ship Channel Navigation District 100 foot wide right-of-way, 939.40 feet to a $1 \frac{1}{4}$ inch iron pipe set on said line at the P.C. of a curve to the right;

THENCE around said curve to the right having a chord bearing North $85^{\circ} 54' 44''$ West, a distance of 529.02 feet with an arc length of 529.40 feet and a central angle of $07^{\circ} 20'$ to a concrete monument and iron stake, side by side, found on said curve for the Southwest corner of the herein described 109.828 acre tract;

THENCE North $00^{\circ} 05'$ West along the common line on the West boundary line of the herein described 109.828 acre tract and the East boundary line of the adjoining aforesaid 145.903 acre J. P. Hedding, Trustee, Tract, a distance of 3,147.06 feet to the Point of Beginning, containing 109.828 acres, more or less, of land.

TRACT NO. 2:

A 17.860 acre tract or parcel of land, being a part of that certain tract of land called 108.4286 acres and described in deed dated March 28, 1949, from J. H. Hirst, Trustee, to Wah Chang Smelting & Refining Company of America, Inc., Volume 4458, Pages 261-266, Harris County Deed Records, said land being in the Richard & Robert Vince League, Abstract 76, Harris County, Texas, said 17.860 acre tract or parcel being more particularly described by metes and bounds as follows:

COMMENCING at the Southeast corner of the aforesaid 109.828 acre Tract No. 1 hereinbefore described, said corner being a point in the North right-of-way line of that certain 100 foot wide railroad right-of-way conveyed by the Estate of R. E. Brooks to Harris County Houston Ship Channel Navigation District by deed dated August 6, 1941, and recorded in Volume 1219, Page 626 of the Harris County Deed Records;

174-31-2404

THENCE South $00^{\circ} 39' 20''$ West along the southward extension of the East line of the aforesaid 109.828 acre tract of land, across the aforesaid Navigation District 100 foot wide railroad right-of-way, a distance of 100 feet to the Northeast corner of that certain 0.2249 acre tract of land conveyed by J. H. Hirst, Trustee, to Harris County Houston Ship Channel Navigation District by deed dated December 14, 1960, and recorded in Volume 4239, Page 56 of the Harris County Deed Records;

THENCE South $00^{\circ} 39' 20''$ West along the East line of aforesaid 0.2249 acre tract, a distance of 70 feet (previously called 53 feet) to the Southeast corner of the aforesaid 0.2249 acre tract for the Point of Beginning of the 17.860 acre tract of land herein described;

THENCE continuing South $00^{\circ} 39' 20''$ West along the common line of the East boundary line of the herein described 17.860 acre tract and the West boundary line of the adjoining aforesaid 345.339 acre Navigation District tract, a distance of 1,068.40 feet to a 1 1/4 inch iron pipe set on the Northeasterly line of the Harris County Houston Ship Channel Navigation District 225 foot wide right-of-way for the Southeast corner of the herein described 17.860 acre tract;

THENCE North $50^{\circ} 21'$ West along the Northeasterly line of the Harris County Houston Ship Channel Navigation District 225 foot wide right-of-way 1,846.4 feet to a 1 inch iron pipe set on said line at its intersection with the South line of the aforesaid Harris County Houston Ship Channel Navigation District 100 foot wide right-of-way for the West corner of the herein described 17.860 acre tract, said point being located in a curve to the left on the South right-of-way line of the aforementioned Harris County Houston Ship Channel Navigation District 100 foot wide right-of-way;

THENCE along said curve to the left having a chord bearing South $84^{\circ} 39' 16''$ East, a distance of 498.66 feet with an arc length of 499.29 feet and a central angle of $09^{\circ} 51'$ along the South line of aforesaid Navigation District 100 foot wide right-of-way to a 1 1/4 inch iron pipe set at the P.T. of said curve;

THENCE South 89° 34' 48" East along the South line of the aforesaid Harris County Houston Ship Channel Navigation District 100 foot wide right-of-way, 617.05 feet to a 1 1/4 inch iron pipe set at an angle point on said line, said angle point being the West corner of the aforesaid 0.2249 acre Navigation District Tract;

THENCE South 79° 35' 38" East along the common line of the North boundary line of the 17.860 acre tract herein described and the South boundary line of the aforesaid 0.2249 acre Navigation District Tract, a distance of 325.71 feet to the Point of Beginning and containing 17.860 acres, more or less, of land.

174-31-2405

174-31-2405
HARRIS COUNTY TEXAS
NAVIGATION DISTRICT
174-31-2405

174-31-2405

174-31-2406

RETURN TO:
PROPERTY ADMINISTRATION
MITCHELL ENERGY CORPORATION
3900 ONE SHELL PLAZA
HOUSTON, TEXAS 77002

FILED
[Signature]
COUNTY CLERK
HARRIS COUNTY, TEXAS
FEB 18 9 53 AM 1974

STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in
File Number Sequence on the date and at the time stamped
hereon by me; and was duly RECORDED, in the Official
Public Records of Real Property of Harris County, Texas on

FEB 18 1974



[Signature]
COUNTY CLERK
HARRIS COUNTY, TEXAS

205-16-411